

## Old Age, Disability, Death

First law: 1956.

Current law: 1980.

Type of program: Social insurance system.

**Exchange rate:** U.S.\$1.00 equals 0.47 pound (£).

### Coverage

Employed and self-employed persons aged 16-64.

Voluntary coverage for formerly covered persons and for Cypriots working abroad for Cypriot employer.

Exclusions: Certain categories of part-time and family employment.

### Source of Funds

**Insured person:** 6.3% of earnings (self-employed, 11.6% of earnings; voluntarily covered, 10% of earnings).

**Employer:** 6.3% of payroll.

**Government:** 4% of earnings.

Above contributions also finance cash sickness, maternity, work-injury, and unemployment benefits.

Maximum earnings for contribution purposes: £ 292 a week.

### Qualifying Conditions

**Old-age pension:** Age 65; age 63 for women born before 1/1/35.

Age 63 if weekly average of real and credited earnings is at least equal to 70% of weekly basic earnings. (Basic earnings level is about 44.7% of national average wage.)

- 1 Contribution conditions: contributions paid for at least 3 years and earnings in "lower band" (covered earnings up to basic earnings level) are 156 times weekly basic earnings, and
- 2 weekly average earnings (paid and credited) since 1964 or age 16 are 25% of basic earnings.

Widow may substitute husband's coverage record for her own for period prior to his death.

Lump sum payable at age 68 to persons who do not meet contribution conditions; persons who satisfy first but not second condition receive lump sum of 15% of total covered earnings.

Retirement necessary for miners aged 60-64.

**Disability pension:** Permanent incapacity for work. Contribution conditions: same as for old-age, plus paid or credited contributions in previous year must correspond to at least 20 times weekly basic earnings. (Alternatively, average of 20 times basic earnings in last 2 years.) If disability is caused by accident, same qualifying conditions as for cash sickness benefits below.

**Survivor pension:** Contribution conditions: same as for old-age. (Lump sum paid if qualifying conditions are not met.) If death is caused by accident, same qualifying conditions as for cash sickness benefits below. For full orphans, 1 week of contributions paid by either parent.

All pensions payable abroad.

### Old-Age Benefits

**Old-age pension:** Basic pension equal to 60% of average basic credited earnings plus supplementary pension equal to 1.5% of

average credited earnings above the basic for each year of contribution.

Dependents' supplements: 20% of average basic credited earnings for 1st dependent, 10% each for 2nd and 3rd dependent.

Schedule of payments: Pensions paid 13 times a year.

Lump-sum payment: 15% of total credited earnings.

Adjustment: Past earnings are adjusted once a year according to changes in wages. Pensions in payment are adjusted in January and July each year (basic part according to changes in wages and supplementary part according to changes in prices).

### Permanent Disability Benefits

**Disability pension:** Basic pension: Same as basic old-age pension, including dependents' supplements.

Supplementary pension: For each year of contribution, the total of weekly average credited earnings projected to age 63 on the basis of average earnings during the 5 years preceding disability, multiplied by 1.5%.

Schedule of payments: Pensions paid 13 times a year.

Medical services provided in government hospitals and dispensaries.

Adjustment: Same as old-age pension.

### Survivor Benefits

**Survivor pension:** Same as basic old-age pension, plus 60% of supplementary old-age pension. Payable to widow or to dependent disabled widower.

Lump-sum payment: Equal to 1 year's pension, payable upon remarriage. If not eligible for survivor benefits, same as for old-age pension.

Orphans: £19.48 a week, plus 30% of supplementary old-age pension (60% divided equally among 2 or more orphans) to each full orphan under age 15 (23 if female, 25 for males if student or in military service, no limit if disabled).

Lump sum equal to 1 year's orphan pension payable on termination of pension due to age. Half-orphan: £9.74 a week for first orphan, £4.87 per week for 2nd and 3rd.

Schedule of payments: Pension paid 13 times a year.

Missing person's benefit: Same as basic old-age pension, including dependents' supplements for spouse or £19.48 a week for each full orphan.

Funeral grant: £200 upon death of insured or pensioner, £100 upon death of dependent.

Adjustment: Same as for old-age pension.

### Administrative Organization

Ministry of Labor and Social Insurance, through Department of Social Insurance, administration of program.

Program directed by Director of Social Insurance in Ministry and tripartite advisory Social Insurance Board.

## Sickness and Maternity

First law: 1956.

Current law: 1980.

Type of program: Dual social insurance for cash benefits and national health for medical care system.

## Coverage

Employed and self-employed persons aged 16-63.

Voluntary coverage for Cypriots aged 16-63 working abroad for Cypriot employer.

Persons between 64-65 are covered only if they are not entitled to old-age pension. Exclusions: Certain categories of part-time and family employment.

**Medical care:** All residents of limited means, public employees, police, and members of the Armed Forces.

## Source of Funds

**Insured person:** See pension contributions above.

**Employer:** Same.

**Government:** Same. Also, whole cost of medical care.

## Qualifying Conditions

**Sickness benefits:** 26 weeks of paid contributions and 20 contributions paid or credited in last year. After entitlement is exhausted, person can requalify upon payment of 13 contributions.

**Maternity benefits:** 26 weeks of paid contributions and 20 contributions paid or credited in last year.

Cash maternity grant: 26 weeks of paid contributions, and 20 contributions paid or credited in last year.

**Medical benefits:** Residence in country and limited means.

## Sickness and Maternity Benefits

**Cash sickness benefit:** 60% of basic credited average earnings in last year, plus supplement of 50% of average earnings above basic amount in last year, up to maximum of 2 times basic earnings.

Dependents' supplements: Same as for old-age pension.

Maximum cash benefit and supplements: £97.40 a week.

Payable after 3-day waiting period (18 days for self-employed) for up to 52 weeks (minimum, 13 weeks plus 1 day for each contribution paid in excess of 26).

**Cash maternity benefit:** 75% of average credited earnings during the last year. Payable for 16 weeks beginning between the 6th and 2nd week before confinement.

Maternity grant: £149.

## Workers' Medical Benefits

**Medical benefits:** Medical services provided directly to patients in government hospitals and dispensaries. Includes medical treatment, hospitalization, maternity care, and medicines.

## Dependents' Medical Benefits

**Medical benefits for dependents:** Same as for insured person.

Wife receives same cash maternity grant as working woman.

## Administrative Organization

Ministry of Labor and Social Insurance, through Department of Social Insurance, administration of cash benefits.

Program directed by Director of Social Insurance in Ministry and tripartite advisory Social Insurance Board.

Ministry of Health, provision of medical services through government hospitals.

## Work Injury

First law: 1942.

Current law: 1980.

Type of program: Social insurance system.

## Coverage

Employed persons.

Exclusions: Certain categories in part-time and family employment.

## Source of Funds

**Insured person:** See pension contributions above.

**Employer:** Same.

**Government:** Same.

## Qualifying Conditions

**Work-injury benefits:** No minimum qualifying period.

## Temporary Disability Benefits

**Temporary disability benefit:** £29.22 a week, plus £9.74 for 1st dependent, £4.87 each for 2nd and 3rd dependents.

Minimum benefit and supplements: £48.70 a week.

Supplement: 50% of average earnings above basic in last year.

Maximum benefit and supplements: £97.40 a week.

Payable after 3-day waiting period for up to 12 months.

## Permanent Disability Benefits

**Permanent disability pension:** £29.22 a week. Supplementary permanent disability pension: 60% of average earnings above basic earnings in last 2 years.

Dependents' supplements: £9.74 a week for 1st dependent, £4.87 each for 2nd and 3rd dependents.

Adjustment of earnings and pensions: Same as for old-age pension.

Constant-attendance supplement: £15.90 a week.

Partial disability: Percent of full pension proportionate to degree of incapacity (20%-99% disablement) or lump sum (10%-19%).

## Workers' Medical Benefits

**Medical benefits:** Necessary medical treatment and hospitalization in government dispensaries and hospitals.

## Survivor Benefits

**Survivor pension:** Same as basic permanent disability pension, plus 60% of supplementary permanent disability pension. Payable to widow or to dependent invalid widower. Lump-sum payment: Equal to 1 year's pension, payable upon remarriage.

Orphans: £19.48 a week, plus 30% of supplementary permanent disability pension (60% divided equally among 2 or more orphans) to each full orphan under age 15 (23 if female, 25 for males if student or in military service, no limit if disabled).

Lump sum equal to 1 year's orphan pension payable on termination of pension due to age. Half-orphans: £9.74 for 1st orphan and £4.87 per week for 2nd and 3rd orphans. Dependent parent (if no spouse or child): £19.48 a week plus 30% of supplementary permanent disability pension.

Funeral grant: £200.

### Administrative Organization

Ministry of Labor and Social Insurance, through Department of Social Insurance, administration of contributions and cash benefits. Program directed by Director of Social Insurance in Ministry and tripartite advisory Social Insurance Board.

## Unemployment

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First law: 1956.

Current law: 1980.

Type of program: Social insurance system.

### Coverage

Employed persons aged 16-63 (including voluntarily insured persons who work for Cypriot employers abroad). Employed persons between 64-65 are covered only if they are not entitled to old-age pension.

Exclusions: Certain categories in part-time and family employment.

### Source of Funds

**Insured person:** See pension contributions above.

**Employer:** Same.

**Government:** Same.

(6% of contributions paid by insured person, employer, and government are transferred to Unemployment Benefit Account to finance unemployment benefit.)

### Qualifying Conditions

**Unemployment benefits:** 26 weeks of paid contributions and 20 contributions paid or credited in last year. After entitlement is exhausted, requalification upon payment of 26 weeks of contribution. Capable of and available for work; weekly reporting at employment exchange. If unemployment is due to voluntary leaving, misconduct, direct participation in trade dispute, refusal of suitable offer, or failure to avail self of job opportunity, disqualification for up to 6 weeks.

### Unemployment Benefits

**Unemployment benefit:** Same as cash sickness benefit, including supplements.

Payable after 3-day waiting period (30 for voluntarily insured) for up to 26 weeks (minimum, 13 weeks, plus 1 day for each weekly contribution paid in excess of 26).

### Administrative Organization

Ministry of Labor and Social Insurance, through Department of Social Insurance, administration of program.

Program directed by Director of Social Insurance in Ministry and tripartite advisory Social Insurance Board.

### Coverage

All residents with 4 or more children.

### Source of Funds

**Insured person:** None.

**Employer:** None.

**Government:** Whole cost.

### Qualifying Conditions

**Family allowances:** Residence in country.

### Family Allowance Benefits

**Family allowances:** £20 per month for each dependent child. A child is dependent if: under 15; between 15-18 and unmarried; 18-21 and in military service; 18-25 if male and attending full-time education; 18-23 if female and attending full-time education; and disabled irrespective of age.

### Administrative Organization

Ministry of Labor and Social Insurance, through Department of Social Insurance, administration of program.

Program directed by Director of Social Insurance in Ministry and tripartite advisory Social Insurance Board.

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## Family Allowances

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First law: 1987.

Type of program: Universal system.